

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST
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Policy Analysis Report

To: Supervisor Dean Preston
From: Budget and Legislative Analyst's Office
Re: San Francisco Police Department FY 2022-23 Budget
Date: March 20, 2023



Summary of Requested Action

Your office requested that we review and report the San Francisco Police Department's budgeted and actual expenditures for Fiscal Year 2022-23 using the most current data available. You asked that we identify variances and projected overruns through the end of the fiscal year, identifying any potential budget overruns by fund, budget object, and program and that we provide explanations of specific areas of over- and under-spending from the Department. Finally, you asked that we compare the current year situation with actual and budgeted expenditures for last fiscal year, FY 2021-22. This report focuses on the annual operating account for the Department's General Fund budget.

For further information about this report, contact Fred Brousseau, Director of Policy Analysis, at the Budget and Legislative Analyst's Office: fred.brousseau@sfgov.org.

Executive Summary

- The San Francisco Police Department (SFPD) FY 2022-23 budget totals \$761.9 million. Of this total, approximately \$611.4 million, or 80 percent, is funded by General Fund and used for operations.
- Salaries and Mandatory Fringe Benefits combine for approximately \$510.3 million, or approximately 83 percent of SFPD's General Fund FY 2022-23 budget. SFPD estimates that its actual personnel expenditures will be approximately \$539.1 million by year-end, creating a deficit of \$28.8 million. The salary deficit is driven by overtime spending, which is projected to cost \$81 million in FY 2022-23, or \$55.6 million more than the Department's General Fund overtime budget of \$25.4 million. A supplemental

appropriation pending Board of Supervisors approval would close this deficit using the General Reserve and re-appropriating funds from within the Department's budget.

- SFPD's hiring has not kept pace with separations in recent years. The number of actual SFPD sworn officers as of December 2022 was 1,788, or 257 positions less than authorized positions for FY 2022-23. Further, the number of full-duty officers in 2022, which excludes those on modified duty or on leave, was 1,537. SFPD began using overtime to backfill patrol operations in FY 2021-22 and is projecting to spend \$21.6 million on patrol backfill in FY 2022-23.
- Between calendar years 2019 and 2022, 911 calls have decreased from 354,528 to 277,192 (by 21.6 percent), self-initiated patrol activities decreased from 338,669 to 150,094 (by 55.7 percent), total violent crimes decreased from 6,151 to 5,274 (decreased by 14.3 percent), property crimes decreased from 51,700 to 47,987 (by 7.2 percent), and arrests decreased from 3,217 to 2,289 (by 28.8 percent). During that period, the City created the Street Crisis Response Team (December 2020) and the Street Wellness Response Team (January 2022) to divert approximately 30,000 mental health calls from Police to a civilian response, though those teams are not responding to all of those incoming calls. At the same time, according to the Department, staffing shortages have resulted in 911 response times exceeding targets.
- The number of General Fund overtime hours has more than tripled since 2019, from 213,571 hours in FY 2018-19 to 713,062 projected hours in FY 2022-23. Of the 499,491-hour increase, 483,208 hours are for the "Extended Work Week," which includes backfill staffing and special events. To offset the Department's staffing shortage, SFPD is projecting to use 190,729 hours of officer overtime to backfill vacant positions and absences in FY 2022-23, a 132.6 percent increase compared to the 82,002 overtime backfill hours for the entirety of FY 2021-22.
- In addition to backfilling vacancies and absences, SFPD established new initiatives using overtime in FY 2021-22, some of which are continuing or expanding in FY 2022-23. These initiatives include the Safe Shopper Program and Tourism Deployment Plan, which are forecast to utilize 106,023 hours and 41,810 hours, or 30 and 20.9 percent more hours, respectively, in FY 2022-23 compared to FY 2021-22.
- SFPD has 110 civilian vacancies. Of these, SFPD estimates that 86 will be filled in FY 2022-23 for an average period of two months (or starting in May 2023).
- From 2018 through 2021, sworn separations have exceeded hires by 444 and the number of academy hires decreased from 197 in 2018 to 64 in 2022. In addition, SFPD also estimates that approximately 111.4 sworn officers will retire or leave the Department by

the end of FY 2022-23, net of replacements. The Department reports that applicants to police academies have declined, in part, due to competition with other Bay Area jurisdictions. The City's labor agreement with the Police Officer's Association was amended in 2022 to increase entry-level wages and longevity premiums in order to improve recruitment and retention. The new labor agreement pending at the Board of Supervisors makes further enhancements to officer wages and longevity pay.

- Non-personnel expenditures combine for approximately \$100.6 million in FY 2022-23 within the General Fund. An informal projection shows that SFPD will have surpluses of approximately \$0.4 million in Capital Outlay and \$9.9 million in Services of Other Departments, and deficits of approximately \$1.2 million in Materials and Supplies and \$1.8 million in Non-Personnel Services. SFPD anticipates staying within budget in these areas.
- SFPD's General Fund Continuing Authority (Fund 10020) FY 2022-23 budget includes approximately \$16.1 million in projects. The purpose of the continuing fund is to fund multi-year projects. An informal projection shows that SFPD will spend approximately \$5.8 million in continuing projects, leaving a surplus of \$10.2 million. Unexpended funds are carried over to the FY 2023-24 budget.
- SFPD's General Fund Annual Authority (Fund 10010) FY 2022-23 budget includes approximately \$3.0 million in projects. An informal projection shows that SFPD will spend approximately \$2.3 million, leaving a surplus of approximately \$0.6 million. However, SFPD has proposed re-appropriating approximately \$1.2 million that had been intended for public housing to use for operating overtime.
- In FY 2021-22, SFPD's original General Fund operating budget was approximately \$562.5 million. The budget was later increased to \$591.2 million by transferring Federal Emergency Management Agency funding to pay for COVID sick leave and carrying over unspent non-personnel funding from the prior fiscal year. Actual expenditures totaled \$586.26 million, or \$23.8 million more than originally budgeted.

As we noted in our report on the pending supplemental appropriation to the Police Department budget (File 23-0158), increased Police staffing will eventually reduce the need for certain overtime spending (particularly backfilling patrol staffing), but unless the Department reduces its current service levels, other strategies are needed to reduce overtime in the coming fiscal years. The Police Department has requested the Mayor to increase its \$20.2 million overtime budget in FY 2023-24. Below we provide options for the Board of Supervisors to consider for reducing future overtime spending.

Summary of Policy Options

The Board of Supervisors should:

1. Request the Police Department report back on the cost effectiveness of the Safe Shopper, Tourism, Gun Violence Reduction, and Tenderloin Safety overtime programs.
2. Request a report on the Police Department's internal controls related to overtime and the extent to which they conform to best practices.
3. Request the Police Chief and Director of Human Resources to assess what is driving the increase in staff out on leave and modified duty and report back to the Board of Supervisors on administrative actions each is taking to return sworn staff to full-duty and any legislative actions that may assist with those efforts.
4. Request that the Mayor include these civilianization positions in the FY 2023-24 – FY 2024-25 budget.
5. Request the Mayor, Police Chief, Department of Public Health, and Fire Department conduct further analysis to determine if a civilian behavioral health team is suited to respond to other mental health related calls, including persons attempting suicide, mental health detention, juvenile beyond parental control, wellness checks, and noise complaints.
6. Request the Mayor and Police Chief to explore using 10B and Community Benefit District funding for the Department's Safe Shopper, Tourism, and Tenderloin overtime initiatives.
7. Request the Police and Human Resources Departments report on efforts each is taking to increase academy attendance.

SFPD Budget Review Report

FY 2021-22 & 2022-23 Budget

The San Francisco Police Department (SFPD) FY 2022-23 budget totals \$761.9 million.¹ Of this total, approximately \$611.4 million, or 80 percent, is within the City's General Fund (Fund 10000). The General Fund total is comprised of \$394.3 million in Salaries, \$116.0 million in Mandatory Fringe Benefits, \$69.9 million in Services of Other Departments, \$19.3 million in Non-Personnel Services, \$7.4 million in Materials and Supplies, \$4.0 million in Capital Outlay, and \$0.6 million in Debt Service. An overview of the SFPD FY 2021-22 and FY 2022-23 General Fund budget is shown in Exhibit 1 below.

Exhibit 1: SFPD General Fund Budget (Operating)

Category	FY 2021-22	FY 2022-23	Change
Salaries	\$358,578,206	\$394,339,689	\$35,761,483
Mandatory Fringe Benefits	117,603,199	115,951,517	(1,651,682)
Services of Other Departments	62,893,242	69,916,517	7,023,275
Non-Personnel Services	17,364,340	19,251,553	1,887,213
Materials and Supplies	5,193,630	7,415,312	2,221,682
Capital Outlay	828,556	4,023,285	3,194,729
Debt Service	0	550,000	550,000
Total	\$562,461,173	\$611,447,873	\$48,986,700

Source: City Budget System

The Department's \$611.4 million General Fund budget for FY 2022-23 represents an 8.7 percent increase, or \$49 million, over the \$562.5 million originally budgeted in FY 2021-22.²

Personnel Costs

Salaries and Mandatory Fringe Benefits combine for approximately \$510.3 million, or approximately 83 percent of SFPD's General Fund FY 2022-23 budget. Through February 17, 2023, or approximately 63 percent of the way through the fiscal year, SFPD has expended \$342.5 million, or 67 percent of its total personnel budget. Using actual average expenditures per pay period to date, and accounting for hiring to fill civilian vacancies and further sworn staffing attrition, SFPD estimates that its actual personnel expenditures will be approximately \$539.1 million by year-end, creating a deficit of \$28.8 million. SFPD has requested a supplemental

¹ This amount includes \$73.6 million for the Airport, \$611.4 million for General Fund operations (including work orders with other City Departments), \$3.0 million for General Fund annual projects, \$16.1 million for General Fund multi-year projects, and \$48.4 million of spending funded by restricted revenues (primarily state and federal grants).

² The FY 2021-22 SFPD General Fund operating budget was later revised, increasing by approximately \$28.7 million to \$591.2 million. The increase was due to a transfer of Federal Emergency Management Agency (FEMA) funding to pay for COVID sick leave and a carryover of encumbered funding for non-personnel expenses from the prior fiscal year, neither of which required Board of Supervisors approval.

appropriation of \$27.6 million from the General Reserve and re-appropriation of \$1.2 million from annual project budgets (Fund 10010) to close this projected deficit (File 23-0158). On March 15, 2023, the Budget and Appropriations Committee amended the ordinance to reduce the General Reserve appropriation to \$25.4 million and use \$2.3 million from unexpended equipment, debt service payments, and project budgets, other unappropriated revenues, and other special fund balances, as shown in Exhibit 2 below.

Exhibit 2: Projected SFPD Personnel Budget Deficit and Requested Actions

Projected Salaries Deficit ³	(\$35,485,554)
Projected Mandatory Fringe Benefits Surplus ⁴	6,664,405
Projected Personnel Deficit	(\$28,821,149)
Requested Supplemental Appropriation (Amended)	25,371,063
Re-Appropriation from Project Budgets (Amended)	1,294,338
Re-Appropriation from Unspent Equipment (Amended)	434,516
Re-Appropriation of Debt Service Payment	300,000
Other Unappropriated Revenues	587,029
Other Special Fund Balances	834,204
Revised Surplus/Deficit	\$0

Source: SFPD

The salary deficit is driven by overtime spending, which is projected to cost \$81 million in FY 2022-23, or \$55.6 million more than the Department's General Fund overtime budget of \$25.4 million. As described below, the Department has expanded the use of overtime across most of its existing law enforcement activities since 2019 and established new initiatives in FY 2021-22 using overtime.

City Sworn Staffing Has Decreased Since 2019

Exhibit 3 below shows a snapshot of the staffing, workload, and response times of the Police Department between 2019 and 2022. The Police Department's FY 2022-23 General Fund budget includes funding for approximately 2,045 full-time equivalent (FTE) sworn officers, or 48 FTE less than the number authorized in FY 2021-22. However, the number of actual SFPD sworn officers as of December 2022 was 1,788, or 257 positions less than authorized positions for FY 2022-23. Further, the number of full-duty⁵ officers in 2022, which excludes those on modified duty or on leave, was 1,537. The decline in actual sworn staffing is explained by SFPD as due to hiring not keeping pace with separations, discussed below.

³ The salaries budget includes permanent salaries, temporary salaries, premium pay, overtime, and holiday pay.

⁴ The mandatory fringe benefits budget includes retirement, social security, health service, dental coverage, unemployment insurance, flex spending plan, long-term disability, and life insurance.

⁵ Officers are not considered full-duty if there are on leave or modified duty and therefore not available for field deployment.

Workload Indicators Have Also Decreased Since 2019

Between calendar years 2019 and 2022, 911 calls have decreased by 21.6 percent, self-initiated patrol activities have decreased by 55.7 percent, total violent crimes have decreased by 14.3 percent, and property crimes have decreased by 7.2 percent. According to public data posted by the District Attorney's Office, arrests decreased by 28.8 percent between 2019 and 2022.

We requested data on the proportion of time patrol officers spend on responding to calls and self-initiated activities but the Department was not able to provide it due to ongoing system maintenance as of this writing. SFPD reports that declines in self-initiated activities are largely due to staffing shortages. If the Department were fully staffed, officers would have more time to self-initiate activities, especially in a scenario where 911 calls have decreased. The Department could also re-assign existing staff to patrol in order to increase self-initiated work. As shown below, the number of 911 calls per full-duty officer decreased from 193 in 2019 to 181 in 2022. When including self-initiated activities, the number of events per full-duty officer decreased from 377 in 2019 to 278 in 2022.

According to the Police Department, staffing shortages have resulted in increased response times. Priority A response times have increased from an average of 7.5 minutes in 2020 to 9.1 minutes in September 2022, compared to a target of 8 minutes, and Priority B response times have increased from an average of 20 minutes in 2020 to 33 minutes in September 2022, compared to a target of 20 minutes.⁶

⁶ Priority A calls involve a present or imminent danger to life, major property damage, and/or a suspect(s) of a crime that may be in the area and might be reasonably apprehended, a major crime scene that must be protected, a juvenile missing or involved in a sexual abuse or assault, or an elderly person or "at risk" missing person. Examples include shootings, multi-car pile-ups, suicide attempts, fights involving weapons, or in-progress burglaries. Priority B calls involve a potential for damage to property, a suspect who may be in the area, and a crime that has just occurred. Examples include burglaries without a perpetrator on-scene or verbal fights.

Exhibit 3: Police Department City Staffing & Workload

	2019	2020	2021	2022	Change	% Change
City Sworn	2,119	2,069	1,954	1,788	(331)	-15.6%
City Sworn Full Duty	1,840	1,802	1,688	1,537	(303)	-16.5%
911 Calls (A, B, & C)	354,528	323,014	305,112	277,912	(76,616)	-21.6%
Self-Initiated Activities	338,669	234,759	183,777	150,094	(188,575)	-55.7%
Priority A Call Response <8 min	Yes	Yes	No	No	n/a	n/a
Violent Crimes	6,151	4,907	4,967	5,274	(877)	-14.3%
Property Crimes	51,700	39,745	45,735	47,987	(3,713)	-7.2%
Arrests	3,217	2,617	2,379	2,289	(928)	-28.8%
Calls per Full Duty Officer	193	179	181	181	(12)	-6.16%
Calls & Self-Initiated Activities per Full Duty Officer	377	310	290	278	(98)	-26.08%

Source: SFPD and District Attorney data; BLA Analysis

Note: Figures are calendar years and do not include Airport activities. Violent Crimes include murder, rape, robbery, aggravated assault, and human trafficking. Property Crimes include burglary, larceny theft, auto theft, and arson.

General Fund Overtime Has More Than Tripled Since 2019

Exhibit 4 below shows the Police Department's actual General Fund overtime hours in FY 2018-19, FY 2021-22, and projected for FY 2022-23. We refer to FY 2018-19 as a pre-COVID baseline to identify changes to existing activities and new programs.

Exhibit 4: General Fund Overtime Hours

	FY 2018-19	FY 2021-22	FY 2022-23	Change	% Change
Arrest	51,986	38,768	58,338	6,351	12.2%
Investigation	51,167	35,850	50,496	(671)	-1.3%
Court	38,794	20,187	28,246	(10,547)	-27.2%
Miscellaneous	2,490	4,861	9,434	6,945	278.9%
Academy Training	8,306	8,783	22,511	14,205	171.0%
Extended Work Week	60,829	317,036	544,037	483,208	794.4%
Total	213,571	425,486	713,062	499,491	233.9%

Source: SFPD

As shown above in Exhibit 3 and 4, although 911 calls, crime, and arrests have decreased since 2019, overtime hours for arrests are projected to increase by 12.2 percent between FY 2018-19 and FY 2022-23. According to the Police Department, this increase is largely due to increased administrative requirements after each arrest, particularly after recent amendments to Department General Order 5.01 (Use of Force) and 5.03 (Investigative Detentions). Investigation overtime in FY 2022-23 is projected to remain just 1.2 percent below FY 2018-19 levels. Court overtime is expected to decrease by 27.2 percent relative to FY 2018-19 because, according to the Department, fewer arrests were made under the previous District Attorney, although the

Department reports that arrest rates have been increasing in recent months. Overtime for academy training has more than doubled from FY 2018-19 to FY 2022-23 to provide added support to academy recruits. Finally, overtime coded as “miscellaneous,” includes civilian overtime for public record requests payroll, training, restraining orders, commission meetings, and other administrative tasks. Such overtime is projected to increase from 2,490 hours to 9,434 hours between FY 2018-19 and FY 2022-23.

Overall, overtime hours projected for FY 2022-23 are 499,491 more than actual 213,571 overtime hours in FY 2018-19. Of the 499,491 increase, 483,208 hours are for the “Extended Work Week” category, which includes “special events” (such as Chinese New Year and Gay Pride) as well as new activities, discussed below.

The Department is Using Overtime to Backfill Vacant Positions

To offset the Department’s staffing shortage, SFPD is projecting to use 190,729 hours of officer overtime to backfill vacant positions and absences in FY 2022-23, a 132.6 percent increase compared to the 82,002 overtime backfill hours for the entirety of FY 2021-22. According to Patrick Leung, SFPD Chief Financial Officer, SFPD typically did not use overtime to backfill vacant positions and absences prior to November 2021. According to the Police Department, the average cost per sworn staff eligible for overtime is \$104 per hour and the average cost of overtime is \$113.52 per hour, so the cost of overtime is 9 percent more expensive, on average, than the cost of regular staff. The pending supplemental appropriation would transfer \$30 million of funding for vacant positions, which is sufficient to cover the projected 190,729 of overtime hours for patrol backfill (estimated to cost \$21.5 million at \$113 per hour).

The Department Is Using Overtime for New Activities and Expanding Overtime Use for Existing Activities

In addition to backfilling vacancies and absences, SFPD established new initiatives using overtime in FY 2021-22, some of which are continuing or expanding in FY 2022-23, as shown in Exhibit 5 below. These initiatives include the Safe Shopper Program and Tourism Deployment Plan, which are forecast to utilize 30 and 20.9 percent more hours, respectively, in FY 2022-23 compared to FY 2021-22. The Tenderloin Triangle Public Safety Plan, on the other hand, is forecast to consume 35.9 percent fewer hours in FY 2022-23 than the prior fiscal year.

More hours are needed for these programs, SFPD explains, to increase police visibility in downtown and commercial corridors to enhance public safety for residents and visitors and foster the post-pandemic economic recovery.

Exhibit 5: Select Extended Work Week Actual Overtime Hours

Extended Work Week Detail (Selected Activities)	FY 2018-19 Overtime Hours (Total)	FY 2021-22 Overtime Hours (Total)	FY 2022-23 Overtime Hours (Total Projected)	Change: FY 2022-23 vs. FY 2021-22	% Change: FY 2022-23 vs. FY 2021-22
Backfill Patrol	864	82,002	190,729	108,727	132.6%
Safe Shopper/Police Presence	0	75,262	106,023	30,761	40.9%
Special Events	18,926	29,798	45,146	15,348	51.5%
Tourism Deployment Plan	0	30,869	41,810	10,941	35.4%
Gun Violence Reduction	199	15,281	39,769	24,488	160.3%
Tenderloin Triangle Public Safety Plan	0	47,845	30,692	-17,153	-35.9%
Hospital Watch	7,698	9,935	18,342	8,407	84.6%
Dignitary Protection	4,932	5,725	16,563	10,838	189.3%
Total	32,619	296,717	489,073	192,356	64.8%

Source: SFPD

SFPD's FY 2022-23 budget initially projected a total of approximately 223,348 overtime hours, based on a \$25.3 million budget. SFPD now projects a total of approximately 713,062 overtime hours. At an average overtime rate of \$113.52 per hour, this translates to an increase from an original projection of \$25.4 million in overtime expenditures for FY 2022-23 compared to the Department's revised forecast of \$80.9 million, an increase of \$55.5 million. As explained above, some of these increased overtime costs can be covered by using amounts budgeted for salaries for positions that are vacant. However, those amounts are not sufficient to cover expected costs as overtime will also be used in FY 2022-23 for new or increased initiatives such as Safe Shopper and Gun Violence Reduction.

Staffing Outlook

SFPD has 110 civilian vacancies. Of these, SFPD estimates that 86 will be filled in FY 2022-23 for an average period of two months (starting in May 2023). SFPD estimates that the total cost for filling these positions is approximately \$2.7 million in FY 2022-23, which is included in the Department's budget.

SFPD estimates that approximately 111.4 sworn officers will retire or leave the Department by the end of FY 2022-23, net of replacements, providing a savings of approximately \$4.4 million.⁷ SFPD started an academy class in February 2023 and plans to start another class in June 2023, at a cost of approximately \$620,000. SFPD estimates that approximately 52 percent of recruits successfully complete the academy and enter full-duty service. Exhibit 6 below shows that

⁷ According to SFPD, approximately 384 officers are eligible to retire, as of January 9, 2023.

academy recruiting and hiring has not kept pace with sworn separations. According to SFPD, this may be explained by increased competition with other Bay Area jurisdictions for recruits.

Exhibit 6: Annual Sworn Recruits and Separations

Calendar Year	Academy Recruits	Academy Recruits Entering Full-Duty Service	Sworn Separations	Net +/- Sworn
2017	165	89	Not Available	Not Available
2018	197	90	177	-87
2019	127	81	175	-94
2020	86	39	140	-101
2021	41	21	183	-162
2022	64	Not Yet Known	230	Not Yet Known

Source: SFPD. Some 2022 academy classes are still in progress, as well as provisional employment of academy graduates. Recruits refer to number of hires from police academies.

The City has a Memorandum of Understanding (MOU) with the Police Officers' Association for a term of five years from FY 2018-19 through FY 2022-23. To improve recruitment and retention, In June 2022, the Board of Supervisors approved the Second Amendment to the MOU, which restored a three percent wage increase that had been deferred for 18 months, and provided two percent retention premiums after five and 15 years and an increase in entry-level pay. The Controller's Office estimated that this amendment had an added cost of \$17.2 million in FY 2022-23.

The City has negotiated a new MOU with the Police Officers' Association for a term of three years, from FY 2023-24 through FY 2025-26, pending Board of Supervisors approval (File 23-0259). Among the changes, the new MOU includes base wage increases of 10.75 percent over three years, step increases for Police Officer classifications of four percent for Step 1 and two percent for Step 2, three percent retention pay increases after five, seven, and eight years, and a one-time \$600 bonus. The fiscal impact for this MOU has not been determined.

Community Ambassadors

SFPD's expenditure projections also includes approximately \$1.5 million for community ambassadors, including 25 additional ambassadors starting March 7, 2023. SFPD's community ambassadors are retired officers who serve to supplement foot beat patrol presence in business and commercial corridors. These were not covered in the Department's original FY 2022-23 budget but have been added as temporary positions to help provide increased presence in commercial corridors to help improve public safety. The Department's ambassador staffing is separate from other ambassador programs operating in the City by private organizations such as the Mid-Market program operated by Urban Alchemy and the downtown ambassador program operated by Block by Block.

Non-Personnel Expenditures

Capital Outlay, Materials and Supplies, Non-Personnel Services, and Services of Other Departments combine for approximately \$100.6 million in FY 2022-23 within the General Fund. An informal projection shows that SFPD will have surpluses of approximately \$0.4 million in Capital Outlay and \$9.9 million in Services of Other Departments,⁸ and deficits of approximately \$1.2 million in Materials and Supplies and \$1.8 million in Non-Personnel Services. The pending supplemental appropriation would eliminate the projected Capital Outlay surplus. However, these projections are highly imprecise, and expenditures for major purchases and contract services are less predictable than payroll for staffing. According to Chief Financial Officer Leung, SFPD anticipates staying within budget in these areas, although it may require reducing contract expenditures or postponing expenditures until FY 2023-24. Chief Financial Officer Leung reports that high inflation has impacted SFPD's ability to stay within budget.

Continuing Projects

In addition to the Department's General Fund operating budget, SFPD's General Fund Continuing Authority (Fund 10020) FY 2022-23 budget includes approximately \$16.1 million in projects. The purpose of the continuing fund is to fund multi-year projects. To date, SFPD has expended approximately \$3.0 million. An informal projection shows that SFPD will spend approximately \$5.8 million in continuing projects, leaving a surplus of \$10.2 million. The largest projects in the budget are \$4.9 million for the National Incident-Based Reporting System (NIBRS), \$4.3 million for the Body Camera Initiative, and \$3.9 million for Mission Bay Transportation Improvements. The pending supplemental appropriation would reduce the budget for the Body Camera Initiative by approximately \$0.1 million. Unexpended funds are carried over to the FY 2023-24 budget.

Annual Projects

SFPD's General Fund Annual Authority (Fund 10010) FY 2022-23 budget includes approximately \$3.0 million in projects. To date, SFPD has expended approximately \$1.4 million. An informal projection shows that SFPD will spend approximately \$2.3 million, leaving a surplus of approximately \$0.6 million. However, SFPD has proposed re-appropriating approximately \$1.2 million that had been intended for public housing to use for operating overtime. This would leave \$1.8 million within annual projects, of which \$1.5 million is used fund SF SAFE, an organization that provides community-based crime prevention education and outreach.

⁸ Expenditure reductions in Services of Other Departments would require revenue reductions for those other departments.

FY 2021-22 Budget and Expenditures

In FY 2021-22, SFPD's original General Fund budget (for operating, annual projects, and multi-year projects) was approximately \$570.5 million.⁹ Actual expenditures totaled \$592.6 million, or \$22.1 million more than originally budgeted. However, as noted above, the Department received \$27 million in FEMA funding and other transfers to pay for COVID sick leave in FY 2021-22 and also carried forward \$9.3 million in spending authority from the prior fiscal year largely for non-personnel expenses. Relative to the revised budget that includes these items, the Police Department underspent its total General Fund allocation by \$9.5 million in FY 2021-22.

Budgeted and actual expenditures for FY 2021-22 by category are shown in Exhibit 7 below.

⁹ As noted above, the FY 2021-22 SFPD General Fund operating budget was later revised, increasing by approximately \$28.7 million to \$591.2 million. The increase was due, in part, to a \$13.6 million transfer of Federal Emergency Management Agency (FEMA) funding to pay for COVID sick leave as well as carryovers of encumbered funding for non-personnel expenses from the prior fiscal year, neither of which required Board of Supervisors approval. In addition, Department's Continuing Projects Fund carried over \$2.7 million from FY 2021-22 to FY 2022-23.

Exhibit 7: SFPD FY 2021-22 General Fund Budget and Actual General Fund Expenditures

Fund and Budget Category	FY 2021-22 Original Budget	FY 2021-22 Revised Budget	Actual Spending	Actual vs. Original Budget
General Fund (Operating)				
Capital Outlay	828,556	2,647,767	1,862,954	(1,034,398)
Mandatory Fringe Benefits	117,603,199	114,754,638	114,754,638	2,848,561
Materials & Supplies	5,193,630	6,719,509	4,698,230	495,400
Non-Personnel Services	17,364,340	18,661,867	16,956,831	407,509
Salaries	358,578,206	385,555,155	385,555,155	(26,976,949)
Services Of Other Depts	62,893,242	62,893,242	62,403,302	489,940
General Fund (Operating) Total	562,461,173	591,232,178	586,231,111	(23,769,938)
General Fund (Annual Projects)				
	FY 2021-22 Budget	FY 2021-22 Revised Budget	Actual Spending	Actual vs. Original Budget
Capital Outlay	450,000	270,000	0	450,000
City Grant Program	166,122	251,250	1,137,132	(971,010)
Mandatory Fringe Benefits	52,775	52,775	47,275	5,500
Non-Personnel Services	910,000	1,120,000	39,781	870,219
Programmatic Projects	102,500	97,500	0	102,500
Salaries	1,218,579	1,218,579	1,146,879	71,700
Services Of Other Depts	10,000	10,000	10,000	0
General Fund (Annual Projects)				
Total	2,909,976	3,020,104	2,381,068	528,908
General Fund (Multi-Year Projects)				
	FY 2021-22 Budget	FY 2021-22 Revised Budget	Actual Spending	Actual vs. Original Budget
Capital Outlay	1,067,926	(2,506,399)	255,843	812,083
Carry-Forward Budgets Only	0	(8,749,353)	0	0
City Grant Program	0	(16,585)	2,130	(2,130)
Facilities Maintenance	0	158,132	0	0
Mandatory Fringe Benefits	1,525	(1,269,061)	371,913	(370,388)
Materials & Supplies	0	4,812	247,939	(247,939)
Non-Personnel Services	0	(6,938,790)	1,281,357	(1,281,357)
Programmatic Projects	4,010,458	29,054,850	0	4,010,458
Salaries	98,475	(2,689,217)	1,678,047	(1,579,572)
Services Of Other Depts	0	850,744	177,847	(177,847)
General Fund (Multi-Year Projects) Total	5,178,384	7,899,133	4,015,075	1,163,309
Total General Fund	570,549,533	602,151,415	592,627,254	(22,077,721)

Source: City Budget System

Policy Options to Reduce Overtime

As we noted in our report on the pending supplemental appropriation to the Police Department budget (File 23-0158), increased Police staffing will eventually reduce the need for certain overtime spending (particularly backfilling patrol staffing), but unless the Department reduces its current service levels, other strategies are needed to reduce overtime in the coming fiscal years. The Police Department has requested the Mayor to increase its \$20.2 million overtime budget in FY 2023-24. Below we provide options for the Board of Supervisors to consider for reducing future overtime spending.

Evaluate New and Expanded Overtime Initiatives Cost Effectiveness

The Police Department's Safe Shopper Initiative, Tourism Deployment Plan, and Tenderloin Triangle Public Safety Plan are new initiatives to increase Police staffing within certain areas of the City. In addition, the Department has expanded its Gun Violence Reduction interventions since FY 2018-19. These staffing deployments do not respond to 911 calls but instead are staffing surges intended to deter crime. Exhibit 8 shows the cost of these initiatives, which are projected to total \$24.8 million in FY 2022-23.

Exhibit 8: Cost of Select Overtime Initiatives

	Hours	Cost
Safe Shopper/Police Presence	106,023	\$12,033,611
Tourism Deployment Plan	41,810	\$4,745,435
Gun Violence Reduction	39,769	\$4,513,782
Tenderloin Triangle Public Safety Plan	30,692	\$3,483,542
Total	218,294	\$24,776,369

Source: BLA Analysis of Police Data

We recommend the Police Department report back to the Board of Supervisors on the outcomes and cost of effectiveness of these new and expanded initiatives.

Evaluate Overtime Controls

Our 2018 *Performance Audit of the Police Department* recommended that the Department improve its overtime control policies and procedures as well as its overtime reporting and analysis, with which the Department agreed or partially agreed. The Board could request a follow-up audit from our office or the Controller's Office or a report back from the Police Department detailing the extent to which Department's current overtime management complies with best practices. Such a review could include use of overtime vs. regular time, evaluation of the overtime approval process, an assessment of management's monitoring activities,

departmental policies, procedures, and communications regarding overtime, compliance with City policies regarding overtime, and a comparison of overtime controls with other jurisdictions and best practices provided by the U.S. Department of Justice and other relevant agencies.

Assess Reasons for Reduction in Full Duty Staff

As of February 20, 2023, the Department's General Fund sworn staffing included 241 positions not available for "full duty" – that is, on leave or modified duty. These non-full duty positions included: 131 sworn staff on leave, including: 117 on disability leave, 10 on family medical leave, 4 on military leave; and 110 sworn staff on modified duty, including: 64 on temporary modified duty, 7 on permanent modified duty, and 39 under disciplinary review. The number of officers not available for work is 17% higher than historical experience (equivalent to 35 Police Officers), despite there being fewer total officers in the Department. In particular, in May 2021, the Department had 115 General Fund sworn staff on leave and 92 on modified duty, and in May 2018 the Department had 115 General Fund staff on leave and 90 on modified duty. The Board of Supervisors could request the Police Chief and Director of Human Resources to assess what is driving the increase in staff out on leave and modified duty and report back to the Board of Supervisors on administrative actions each is taking to return sworn staff to full-duty and any legislative actions that may assist with those efforts.

Civilianization

Civilianization refers to a process that assigns civilian positions to civilian job assignments, allowing sworn staff to focus on assignments that require peace officer training and expertise, such as patrol and investigations. City Charter Section 4.127 requires the Police Chief to provide the Police Commission a biannual assessment of the staffing needs of the Police Department and for Police Commission to annually review Police Department staffing to "civilianize as many positions as possible" and submit a report to the Board of Supervisors each year that identifies opportunities for civilianization. The Board of Supervisors approved the addition of 75 civilianization positions between FY 2018-19 and FY 2020-21. According to the Police Department's March 2022 staffing analysis, there are additional civilianization opportunities in the following units: Captain's Staff, permits, community engagement, report writing, Department Operation Center, Crime Information Services, and Crime Scene Investigations. The Board of Supervisors could request that the Mayor include these civilianization positions in the FY 2023-24 – FY 2024-25 budget, which would increase sworn staffing available for patrol and reduce overtime, if the number of re-assigned staff and recruits exceeds separations.

Response to 911 Calls

Our May 2021 Budget Priority Report, *Alternatives to Law Enforcement Services*, reviewed 911 calls and self-initiated activities in 2019 that could be diverted to a civilian response, which are totaled in Exhibit 9 below.

Exhibit 9: Mental Health, Homeless, Wellness Check, and Noise Compliant Calls in 2019

Radio Code	Description	A	B	C	Total
800/800 CR	Mentally Disturbed Person	4,625	11,461	89	16,175
801/801 CR	Person Attempting Suicide	3,991	14	2	4,007
5150	Mental Health Detention	41	604	3	648
	Juvenile Beyond Parental Control	142	204	9	355
915	Homeless Related	2	3	37,162	37,167
910	Wellness Check	9,304	19,351	27	28,682
415	Noise Complaint	0	323	21,750	22,073
Total		18,105	31,960	59,042	109,107

Source: BLA Analysis of Police Department dispatch data, Police Department Calls for Services Analysis and Diversion Recommendations. Calls include dispatched and self-initiated activities.

Priority A calls include immediate danger to life or damage to property, suspects in the area of a crime involving serious injury or death, and vulnerable missing persons.

Priority B calls refer to situations that have the potential for physical harm, crime suspects that may be in an area, or a crime that has just occurred but does not meet the definition of a Priority A call.

Priority C calls refer to situations where there is no danger to life or property, suspects are not in the area, and/or a crime scene is protected.

The Street Crisis Response Team was created in December 2020 to respond to “mentally disturbed person” calls (call code 800-B), though our April 2022 report, *Police Department Role in Street Teams*, noted that the Police Department was still responding to 46.6 percent of 800-B calls, as of February 2022. In January 2022, the City established a Street Wellness Response Team to respond to Wellness Check calls (call code 910), though that team was merged with the Street Crisis Response Team in March 2023. We do not know the extent to which the Street Wellness Team is responding to wellness check calls.

As we stated in our May 2021 Budget Priority Report, *Alternatives to Law Enforcement Services*, the Street Crisis Response Team could be expanded to respond to other mental health related calls and the City could establish other civilian teams to respond to other call types, which may not require paramedics or behavioral health clinicians. Excluding Priority A calls and Code 800 calls, the remaining call types totaled 79,452 calls in 2019, or 11.5 percent of calls and self-

initiated activities that year. Establishing new civilian response teams would eventually increase sworn staffing available for patrol and reduce overtime, if the number of re-assigned staff and recruits exceeds separations. The Board could work with the Mayor to establish new civilian response teams.

Revenue Generation

Administrative Code Section 10B allows private organizations to contract with the Police Department for additional law enforcement services using private funding for Police overtime. In addition, the City has Community Benefit Districts, which have special property taxes for enhanced services within those areas, that overlap with the service areas of the Safe Shopper, Tourism and Tenderloin Police overtime initiatives. The Board of Supervisors could request the Mayor and Police Chief to explore using these non-General Fund funding sources for the Department's new overtime initiatives. Expanding Community Benefit District funding would likely require a special election within each District.

Recruitment

Exhibit 6 above shows that the number of academy recruits decreased from 127 in 2019 to 64 in 2022. Given that the Department is using overtime to backfill patrol operations, the Board should request the Police and Human Resource Departments report on efforts each is taking to increase academy attendance.

Summary of Policy Options

The Board of Supervisors should:

1. Request the Police Department report back on the cost effectiveness of the Safe Shopper, Tourism, Gun Violence Reduction, and Tenderloin Safety overtime programs.
2. Request a report on the Police Department's internal controls related to overtime and the extent to which they conform to best practices.
3. Request the Police Chief and Director of Human Resources to assess what is driving the increase in staff out on leave and modified duty and report back to the Board of Supervisors on administrative actions each is taking to return sworn staff to full-duty and any legislative actions that may assist with those efforts.
4. Request that the Mayor include these civilianization positions in the FY 2023-24 – FY 2024-25 budget.
5. Request the Mayor, Police Chief, Department of Public Health, and Fire Department conduct further analysis to determine if a civilian behavioral health team is suited to respond to other

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mental health related calls, including persons attempting suicide, mental health detention, juvenile beyond parental control, wellness checks, and noise complaints.

6. Request the Mayor and Police Chief to explore using 10B and Community Benefit District funding for the Department's Safe Shopper, Tourism, and Tenderloin overtime initiatives.
7. Request the Police and Human Resources Departments report on efforts each is taking to increase academy attendance.